

AS “GREEN BANKING” FLOURISHES AT THE GRASSROOTS LEVEL, 10 LEADING PROPONENTS ACROSS U.S. HONORED

***“Community Investing” in Environment Appeals to Individuals, Institutions;
Dollars Used to Preserve Forests, Clean Water, Farm Responsibly and Recycle.***

WASHINGTON, D.C.///January 22, 2003///“Green banking” — in which community investing dollars from banks, credit unions, venture capital firms, foundations and other organizations are directed to support environmentally beneficial businesses and nonprofits that might otherwise be overlooked by “traditional” financial institutions — is making major strides today across the United States. Today, the Community Investing Campaign, a project of the Social Investment Forum Foundation and Co-op America, singled out 10 organizations that “best exemplify the building of economic opportunity and hope for individuals through community investing.”

Forest preservation, clean water production, eco-tourism, responsible farming practices and the recycling of discarded materials are just a few of the Earth friendly activities that are being supported through “community investing” dollars. Individual and institutional community investors make it possible for local organizations in urban and rural areas to create jobs, provide financial services to low-income individuals, and supply capital for small businesses, affordable housing and vital community services.

The organizations recognized today by the Community Investing Campaign are: Chittenden Bank (Brattleboro, VT); Coastal Enterprises, Inc. (Wiscasset, ME); Permaculture Credit Union (Santa Fe, N.M.); Rudolf Steiner Foundation (San Francisco, CA); Self-Help Credit Union (Durham, N.C.); ShoreBank Pacific (Ilwaco, WA); Sustainable Jobs Fund (Durham, N.C.); Underdog Ventures, LLC (New York, NY); Vermont Community Loan Fund (Montpelier, VT); and Wainwright Bank & Trust Company (Boston, MA).

The Social Investment Forum’s Community Investing Campaign Chair Deborah Momsen-Hudson said: **“We are honoring these 10 groups today because they are outstanding examples of how community investing dollars quite literally can transform the world in which we live. Americans who want to make a change in the lives of others need to understand that community investing is a powerful and personal way to get the job done. The organizations singled out for praise today are among hundreds in the U.S. that are building a better planet through the wise stewardship of community investing dollars.”**

Social Investment Forum Foundation President David Berge said: **“This is socially responsible investing at its best, for people who want to improve our environment and communities. The environment is part of the community investing story, but there is much more to it. Community-based financial institutions work with low-income individuals earning the minimum wage in North Carolina to purchase homes, assist impoverished battered women in Texas in opening a community-based shelter, and provide displaced timber workers in the Pacific Northwest with loans to start successful and environment-friendly businesses. In addition to supplying urgently needed capital in under-served neighborhoods,**

community investment groups make available key services, such as education, mentoring and technical support.”

EXAMPLES OF “GREEN BANKING” ACROSS THE U.S.

For socially aware individuals and institutions, the powerful attraction of community investing is the opportunity to connect with the lives of people and make a concrete difference in them. Consider these examples:

* **Chittenden Bank’s Socially Responsible Banking Program**, of Brattleboro, VT., allows depositors to benefit conservation, affordable housing, business and economic development, community building and education. Chittenden lende Beeken Parsons of Shelburne, VT, designs and creates handcrafted furniture with wood harvested from sustainable forestry. Bruce Beeken and Jeff Parsons use a specific type of wood called “character wood,” which is found at the center or heart of the log. This uses the wood of a tree more efficiently – typically sawyers work a log from the outside in until they reach the knotty heart, a practice that also produces the most waste. “Character wood™” provides evidence of the random workings of nature and highlights the unique qualities of each individual piece of wood.

* **Coastal Enterprises, Inc. (CEI)** of Wiscasset, ME, is a nonprofit community development corporation and community development financial institution. Candice and Dan Heydon of Oyster Creek Farm & Mushroom Company in Damariscotta, ME first came to CEI in 1993 for start-up financing for their gourmet mushroom business. In total, they have received five loans from CEI using a variety of lending programs, in addition to several courses and seminars and CEI’s one-on-one business counseling services. The Heydons grow thousands of mushrooms on logs in sheds and lean-tos on their property and also buy wild mushrooms from foragers throughout Maine. Among the environmental aspects of the business are its reliance on the sustainable harvest of a renewable, non-timber forest product and its virtual elimination of any waste products – what does not sell fresh is sold dried and what does not sell dried is ground and sold as powder.

* Durham, NC-based **Self-Help** is a nonprofit credit union and community development lender that provides home mortgage and small business lending services. Lea Clayton borrowed from Self-Help to purchase 15 acres near the Haw River in rural Alamance County, N.C. Clayton is developing an organic farm on the site, using a Community Supported Agriculture (CSA) business model that increases the financial returns to small farmers by eliminating distribution steps that add cost to the product. With the CSA model, consumers purchase “shares” of the farmer’s yield at the beginning of the season, and produce is delivered directly to shareholders. Clayton will use her experience in sustainable farming to use technologies such as solar power and gravity irrigation to reduce overhead costs.

* **ShoreBank Pacific**, of Portland, OR, and Ilwaco, WA, was the first environmental bank in the United States. ShoreBank Pacific supports individual and community efforts to bring together conservation and economic development. ShoreBank Pacific has provided support to Ned Dempsey, president of Century West of Portland, OR. The firm is developing a new specialty: sustainable engineering. Among this new division’s current projects are: a fish-friendly hydropower project; an innovative agricultural fish screen technology to keep fish out of irrigation ditches; and a product that has the potential to save significant amounts of industrial electricity used to compress air.

Century West President Ned Dempsey said: **“Before I came to ShoreBank Pacific, I had been bounced around by larger banks who did not seem to care about my business and what I was trying to accomplish. Working in sustainable development, I needed to find a banking solution that understood my goals and my business. ShoreBank Pacific recognized that and worked with me to develop a plan to help my company and, more importantly, the planet.”**

* **Underdog Ventures, LLC**, of New York, NY, is a community venture fund that made an investment to help Happy Planet Foods of Vancouver, BC grow their organic juice business and their positive impact on the environment. The Underdog Ventures Legacy Fund invested \$250,000 in Happy Planet. As a part of that investment, Happy Planet employees and shareholders have agreed to donate \$500,000 in cash and stock to the Underdog Foundation to support grants to environmental organizations. The Underdog Foundation has committed a low cost loan to benefit a farmers cooperative producing fair trade organic fruit in Costa Rica, which Happy Planet has committed to buy.

* **Wainwright Bank** of Boston was founded in 1987 as a socially responsible commercial bank. Wainwright Bank provided to the Silent Spring Institute a line of credit that will be used to assist in their breast cancer research. Silent Spring is a nonprofit research institute in Newton, MA that is dedicated to identifying the links between environmental exposure and women’s health.

(See the fact sheet at <http://www.communityinvest.org> containing information on each of the 10 organizations.)

HOW TO BECOME A COMMUNITY INVESTOR

Any individual or institution can become a community investor. Community investing dollars often come in the form of savings accounts, checking accounts, mutual funds and even direct “high impact” investments.

Many community investors use community development banks and credit unions for their basic banking needs. These institutions are committed to strengthening low-income communities across the country. Everything from checking and savings accounts, to CD’s and IRAs, to mortgages and other loans, can be provided through a community bank or credit union. If there is no such organization in your community, you can use ATMs, the mail and online banking options.

Other individuals become community investors by focusing on mutual funds with a community-investing component. Still another approach is to invest directly in what are often called “high impact” investments that go directly into community investment programs.

For a comprehensive list of community investing alternatives, go to www.communityinvest.org.

ABOUT COMMUNITY INVESTING

A 2001 study from the Social Investment Forum shows that “community investing” is now the fastest-growing category of socially responsible investing in the United States: Individual and institutional assets flowing into community investing organizations grew by a substantial 41 percent between 1999 and 2001, increasing from \$5.4 billion to \$7.6 billion. According to the Social Investment Forum, the overall growth rate for community investing now exceeds that of

socially responsible mutual funds, all types of screened portfolios (including separate accounts for institutions and wealthy individuals) and socially concerned shareholder advocacy.

ABOUT THE COMMUNITY INVESTING CAMPAIGN

The Community Investing Campaign is a joint partnership of the Social Investment Forum Foundation and Co-op America. The Social Investment Forum Foundation is a national nonprofit organization providing research and educational programs on socially responsible investing. Co-op America is a national nonprofit organization founded in 1982 that provides the economic strategies, organizing power and practical tools for businesses and individuals to address today's social and environmental problems. The campaign's Web site is www.communityinvest.org.

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FOR MORE INFORMATION: To hear a Web-based recording of the national news event, go to <http://www.communityinvest.org/GreenBanking.html> after 6 p.m. EST on January 22, 2003.

FOR COMMUNITY INVESTING ON THE WEB, GO TO:

<http://www.communityinvest.org>